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SENSITIVE

EB/TRA/AN FOR ZACHARY TEICH AND ANDREW HERRUP
DOT FOR BRIAN HEDBERG
FAA FOR KRISTA BERQUIST
USDOC FOR 4322/ITA/MAC/OLAC/ALFORD/PEACHER

E.O. 12958: N/A
TAGS: [EAIR](#) [KTIA](#) [AR](#)
SUBJECT: ARGENTINA TO AGREE TO EXPANDED FLIGHTS

REF: A. STATE 105248
[1](#)B. BUENOS AIRES 1270

[1](#)1. (U) This message is sensitive but unclassified and not for internet distribution.

[1](#)2. (U) The DCM met with Secretary of Transportation Ricardo Jaime on June 27 to discuss Reftel A talking points on Open Skies. The DCM observed that business and tourism travel between the U.S. and Argentina has grown steadily in each of the last three years, that U.S carriers report having consistently full flights to and from Buenos Aires, and that the growth in demand for U.S. visas has echoed Argentina's economic recovery. He emphasized that the expansion of combination frequencies proposed during Open Skies negotiations would yield benefits to both countries. The DCM also referred in general terms to the concerns that Under Secretary of Transportation for Commercial Aviation Ricardo

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Cirielli had raised about implementing Open Skies (Reftel B) and encouraged the GOA to conduct an internal review of the negotiated text as necessary. He stated the USG stood ready to proceed with implementation once this review process had concluded. The DCM said that the USG was prepared, in the interim, to accept Cirielli's proposal to double combination frequencies under the current bilateral air transport service agreement.

[1](#)3. (SBU) Secretary Jaime said that he shared Cirielli's assessment regarding the political difficulty of implementing Open Skies at the present time. He explained that the GOA needed to "maintain a certain equilibrium" in the country's aviation market. He mentioned that LAN Argentina was only now in a position to offer its first direct flight to Miami and that the GOA was in the process of changing its role in Aerolineas Argentinas. Nevertheless, Jaime recognized the growth in tourism and business travel and said that the GOA was ready to increase frequencies in accordance with demand. The DCM asked Jaime for his recommendation on the best mechanism available to move forward and provided draft language for possible diplomatic notes as per Reftel A. Jaime said he would provide a response by June 30 and indicated that amending the agreement would be "a relatively quick process."

Comment

¶4. (U) Post expects that Secretary Jaime strongly endorses Cirielli's proposal to double frequencies. Jaime's support ensures expeditious administrative processing of the amendment to the current bilateral air transport services agreement. Post will follow up with Jaime's office on June ¶30. We will also continue to encourage the GOA's internal review of the Open Skies agreement negotiated in 1999 and will seek out opportunities to make progress on implementation.

¶5. (U) To see more Buenos Aires reporting, visit our classified website at:

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